



Sen. Dale A. Righter

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1 AMENDMENT TO HOUSE BILL 551

2 AMENDMENT NO. _____. Amend House Bill 551 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Sections 21-15, 21-20, 21-25, 21-30, and 21-310 as follows:

6 (35 ILCS 200/21-15)

7 Sec. 21-15. General tax due dates; default by mortgage
8 lender. Except as otherwise provided in this Section or Section
9 21-40, all property upon which the first installment of taxes
10 remains unpaid on June 1 annually shall be deemed delinquent
11 and shall bear interest after June 1 at the rate of 1 1/2% per
12 month or portion thereof. Except as otherwise provided in this
13 Section or Section 21-40, all property upon which the second
14 installment of taxes remains due and unpaid on September 1,
15 annually, shall be deemed delinquent and shall bear interest
16 after September 1 at the same interest rate. All interest
17 collected shall be paid into the general fund of the county.
18 Payment received by mail and postmarked on or before the
19 required due date is not delinquent.

20 Property not subject to the interest charge in Section
21 9-260 or Section 9-265 shall also not be subject to the
22 interest charge imposed by this Section until such time as the
23 owner of the property receives actual notice of and is billed
24 for the principal amount of back taxes due and owing.

1 If an Illinois resident who is a member of the Illinois
2 National Guard or a reserve component of the armed forces of
3 the United States and who has an ownership interest in property
4 taxed under this Act is called to active duty for deployment
5 outside the continental United States and is on active duty on
6 the due date of any installment of taxes due under this Act, he
7 or she shall not be deemed delinquent in the payment of the
8 installment and no interest shall accrue or be charged as a
9 penalty on the installment until 180 ~~30~~ days after that member
10 returns from active duty. To be deemed not delinquent in the
11 payment of an installment of taxes and any interest on that
12 installment, the reservist or guardsperson must make a
13 reasonable effort to notify the county clerk and the county
14 collector of his or her activation to active duty and must
15 notify the county clerk and the county collector within 180
16 days after his or her deactivation and provide verification of
17 the date of his or her deactivation. An installment of property
18 taxes on the property of any reservist or guardsperson who
19 fails to provide timely notice and verification of deactivation
20 to the county clerk is subject to interest and penalties as
21 delinquent taxes under this Code from the date of deactivation.

22 Notwithstanding any other provision of law, when any unpaid
23 taxes become delinquent under this Section through the fault of
24 the mortgage lender, (i) the interest assessed under this
25 Section for delinquent taxes shall be charged against the
26 mortgage lender and not the mortgagor and (ii) the mortgage
27 lender shall pay the taxes, redeem the property and take all
28 necessary steps to remove any liens accruing against the
29 property because of the delinquency. In the event that more
30 than one entity meets the definition of mortgage lender with
31 respect to any mortgage, the interest shall be assessed against
32 the mortgage lender responsible for servicing the mortgage.
33 Unpaid taxes shall be deemed delinquent through the fault of
34 the mortgage lender only if: (a) the mortgage lender has

1 received all payments due the mortgage lender for the property
2 being taxed under the written terms of the mortgage or
3 promissory note secured by the mortgage, (b) the mortgage
4 lender holds funds in escrow to pay the taxes, and (c) the
5 funds are sufficient to pay the taxes after deducting all
6 amounts reasonably anticipated to become due for all hazard
7 insurance premiums and mortgage insurance premiums and any
8 other assessments to be paid from the escrow under the terms of
9 the mortgage. For purposes of this Section, an amount is
10 reasonably anticipated to become due if it is payable within 12
11 months from the time of determining the sufficiency of funds
12 held in escrow. Unpaid taxes shall not be deemed delinquent
13 through the fault of the mortgage lender if the mortgage lender
14 was directed in writing by the mortgagor not to pay the
15 property taxes, or if the failure to pay the taxes when due
16 resulted from inadequate or inaccurate parcel information
17 provided by the mortgagor, a title or abstract company, or by
18 the agency or unit of government assessing the tax.

19 (Source: P.A. 93-560, eff. 8-20-03.)

20 (35 ILCS 200/21-20)

21 Sec. 21-20. Due dates; accelerated billing in counties of
22 less than 3,000,000. Except as otherwise provided in Section
23 21-40, in counties with less than 3,000,000 inhabitants in
24 which the accelerated method of billing and paying taxes
25 provided for in Section 21-30 is in effect, the estimated first
26 installment of unpaid taxes shall be deemed delinquent and
27 shall bear interest after a date not later than June 1 annually
28 as provided for in the ordinance or resolution of the county
29 board adopting the accelerated method, at the rate of 1 1/2%
30 per month or portion thereof until paid or forfeited. The
31 second installment of unpaid taxes shall be deemed delinquent
32 and shall bear interest after August 1 annually at the same
33 interest rate until paid or forfeited. Payment received by mail

1 and postmarked on or before the required due date is not
2 delinquent.

3 If an Illinois resident who is a member of the Illinois
4 National Guard or a reserve component of the armed forces of
5 the United States and who has an ownership interest in property
6 taxed under this Act is called to active duty for deployment
7 outside the continental United States and is on active duty on
8 the due date of any installment of taxes due under this Act, he
9 or she shall not be deemed delinquent in the payment of the
10 installment and no interest shall accrue or be charged as a
11 penalty on the installment until 180 ~~30~~ days after that member
12 returns from active duty. To be deemed not delinquent in the
13 payment of an installment of taxes and any interest on that
14 installment, the reservist or guardsperson must make a
15 reasonable effort to notify the county clerk and the county
16 collector of his or her activation to active duty and must
17 notify the county clerk and the county collector within 180
18 days after his or her deactivation and provide verification of
19 the date of his or her deactivation. An installment of property
20 taxes on the property of any reservist or guardsperson who
21 fails to provide timely notice and verification of deactivation
22 to the county clerk is subject to interest and penalties as
23 delinquent taxes under this Code from the date of deactivation.

24 (Source: P.A. 91-199, eff. 1-1-00; 91-898, eff. 7-6-00.)

25 (35 ILCS 200/21-25)

26 Sec. 21-25. Due dates; accelerated billing in counties of
27 3,000,000 or more. Except as hereinafter provided and as
28 provided in Section 21-40, in counties with 3,000,000 or more
29 inhabitants in which the accelerated method of billing and
30 paying taxes provided for in Section 21-30 is in effect, the
31 estimated first installment of unpaid taxes shall be deemed
32 delinquent and shall bear interest after March 1 at the rate of
33 1 1/2% per month or portion thereof until paid or forfeited.

1 The second installment of unpaid taxes shall be deemed
2 delinquent and shall bear interest after August 1 annually at
3 the same interest rate until paid or forfeited.

4 If the county board elects by ordinance adopted prior to
5 July 1 of a levy year to provide for taxes to be paid in 4
6 installments, each installment for that levy year and each
7 subsequent year shall be deemed delinquent and shall begin to
8 bear interest 30 days after the date specified by the ordinance
9 for mailing bills, at the rate of 1 1/2% per month or portion
10 thereof, until paid or forfeited.

11 Payment received by mail and postmarked on or before the
12 required due date is not delinquent.

13 Taxes levied on homestead property in which a member of the
14 National Guard or reserves of the armed forces of the United
15 States who was called to active duty on or after August 1,
16 1990, and who has an ownership interest, shall not be deemed
17 delinquent and no interest shall accrue or be charged as a
18 penalty on such taxes due and payable in 1991 or 1992 until one
19 year after that member returns to civilian status.

20 If an Illinois resident who is a member of the Illinois
21 National Guard or a reserve component of the armed forces of
22 the United States and who has an ownership interest in property
23 taxed under this Act is called to active duty for deployment
24 outside the continental United States and is on active duty on
25 the due date of any installment of taxes due under this Act, he
26 or she shall not be deemed delinquent in the payment of the
27 installment and no interest shall accrue or be charged as a
28 penalty on the installment until 180 ~~30~~ days after that member
29 returns to civilian status. To be deemed not delinquent in the
30 payment of an installment of taxes and any interest on that
31 installment, the reservist or guardsperson must make a
32 reasonable effort to notify the county clerk and the county
33 collector of his or her activation to active duty and must
34 notify the county clerk and the county collector within 180

1 days after his or her deactivation and provide verification of
2 the date of his or her deactivation. An installment of property
3 taxes on the property of any reservist or guardsperson who
4 fails to provide timely notice and verification of deactivation
5 to the county clerk is subject to interest and penalties as
6 delinquent taxes under this Code from the date of deactivation.

7 (Source: P.A. 91-199, eff. 1-1-00; 91-898, eff. 7-6-00.)

8 (35 ILCS 200/21-30)

9 Sec. 21-30. Accelerated billing. Except as provided in this
10 Section, Section 9-260, and Section 21-40, in counties with
11 3,000,000 or more inhabitants, by January 31 annually,
12 estimated tax bills setting out the first installment of
13 property taxes for the preceding year, payable in that year,
14 shall be prepared and mailed. The first installment of taxes on
15 the estimated tax bills shall be computed at 50% of the total
16 of each tax bill for the preceding year. If, prior to the
17 preparation of the estimated tax bills, a certificate of error
18 has been either approved by a court on or before November 30 of
19 the preceding year or certified pursuant to Section 14-15 on or
20 before November 30 of the preceding year, then the first
21 installment of taxes on the estimated tax bills shall be
22 computed at 50% of the total taxes for the preceding year as
23 corrected by the certificate of error. By June 30 annually,
24 actual tax bills shall be prepared and mailed. These bills
25 shall set out total taxes due and the amount of estimated taxes
26 billed in the first installment, and shall state the balance of
27 taxes due for that year as represented by the sum derived from
28 subtracting the amount of the first installment from the total
29 taxes due for that year.

30 The county board may provide by ordinance, in counties with
31 3,000,000 or more inhabitants, for taxes to be paid in 4
32 installments. For the levy year for which the ordinance is
33 first effective and each subsequent year, estimated tax bills

1 setting out the first, second, and third installment of taxes
2 for the preceding year, payable in that year, shall be prepared
3 and mailed not later than the date specified by ordinance. Each
4 installment on estimated tax bills shall be computed at 25% of
5 the total of each tax bill for the preceding year. By the date
6 specified in the ordinance, actual tax bills shall be prepared
7 and mailed. These bills shall set out total taxes due and the
8 amount of estimated taxes billed in the first, second, and
9 third installments and shall state the balance of taxes due for
10 that year as represented by the sum derived from subtracting
11 the amount of the estimated installments from the total taxes
12 due for that year.

13 The county board of any county with less than 3,000,000
14 inhabitants may, by ordinance or resolution, adopt an
15 accelerated method of tax billing. The county board may
16 subsequently rescind the ordinance or resolution and revert to
17 the method otherwise provided for in this Code.

18 ~~Taxes levied on homestead property in which a member of the~~
19 ~~National Guard or reserves of the armed forces of the United~~
20 ~~States who was called to active duty on or after August 1,~~
21 ~~1990, and who has an ownership interest shall not be deemed~~
22 ~~delinquent and no interest shall accrue or be charged as a~~
23 ~~penalty on such taxes due and payable in 1991 or 1992 until one~~
24 ~~year after that member returns to civilian status.~~

25 (Source: P.A. 92-475, eff. 8-23-01; 93-560, eff. 8-20-03.)

26 (35 ILCS 200/21-310)

27 Sec. 21-310. Sales in error.

28 (a) When, upon application of the county collector, the
29 owner of the certificate of purchase, or a municipality which
30 owns or has owned the property ordered sold, it appears to the
31 satisfaction of the court which ordered the property sold that
32 any of the following subsections are applicable, the court
33 shall declare the sale to be a sale in error:

1 (1) the property was not subject to taxation, or all or
2 any part of the lien of taxes sold has become null and void
3 pursuant to Section 21-95 or unenforceable pursuant to
4 subsection (c) of Section 18-250 or subsection (b) of
5 Section 22-40,

6 (2) the taxes or special assessments had been paid
7 prior to the sale of the property,

8 (3) there is a double assessment,

9 (4) the description is void for uncertainty,

10 (5) the assessor, chief county assessment officer,
11 board of review, board of appeals, or other county official
12 has made an error (other than an error of judgment as to
13 the value of any property),

14 (5.5) the owner of the homestead property had tendered
15 timely and full payment to the county collector that the
16 owner reasonably believed was due and owing on the
17 homestead property, and the county collector did not apply
18 the payment to the homestead property; provided that this
19 provision applies only to homeowners, not their agents or
20 third-party payors,

21 (6) prior to the tax sale a voluntary or involuntary
22 petition has been filed by or against the legal or
23 beneficial owner of the property requesting relief under
24 the provisions of 11 U.S.C. Chapter 7, 11, 12, or 13, ~~or~~

25 (7) the property is owned by the United States, the
26 State of Illinois, a municipality, or a taxing district,
27 or.

28 (8) the owner of the property is a reservist or
29 guardsperson who is granted an extension of his or her due
30 date under Sections 21-15, 21-20, and 21-25 of this Act.

31 (b) When, upon application of the owner of the certificate
32 of purchase only, it appears to the satisfaction of the court
33 which ordered the property sold that any of the following
34 subsections are applicable, the court shall declare the sale to

1 be a sale in error:

2 (1) A voluntary or involuntary petition under the
3 provisions of 11 U.S.C. Chapter 7, 11, 12, or 13 has been
4 filed subsequent to the tax sale and prior to the issuance
5 of the tax deed.

6 (2) The improvements upon the property sold have been
7 substantially destroyed or rendered uninhabitable or
8 otherwise unfit for occupancy subsequent to the tax sale
9 and prior to the issuance of the tax deed.

10 (3) There is an interest held by the United States in
11 the property sold which could not be extinguished by the
12 tax deed.

13 (4) The real property contains a hazardous substance,
14 hazardous waste, or underground storage tank that would
15 require cleanup or other removal under any federal, State,
16 or local law, ordinance, or regulation, only if the tax
17 purchaser purchased the property without actual knowledge
18 of the hazardous substance, hazardous waste, or
19 underground storage tank. This paragraph (4) applies only
20 if the owner of the certificate of purchase has made
21 application for a sale in error at any time before the
22 issuance of a tax deed.

23 (c) When the county collector discovers, within one year
24 after the date of sale if taxes were sold at an annual tax sale
25 or within 180 days after the date of sale if taxes were sold at
26 a scavenger tax sale, that a tax sale should not have occurred
27 for one or more of the reasons set forth in subdivision (a)(1),
28 (a)(2), (a)(6), or (a)(7) of this Section, the county collector
29 shall notify the last known owner of the certificate of
30 purchase by certified and regular mail, or other means
31 reasonably calculated to provide actual notice, that the county
32 collector intends to declare an administrative sale in error
33 and of the reasons therefor, including documentation
34 sufficient to establish the reason why the sale should not have

1 occurred. The owner of the certificate of purchase may object
2 in writing within 28 days after the date of the mailing by the
3 county collector. If an objection is filed, the county
4 collector shall not administratively declare a sale in error,
5 but may apply to the circuit court for a sale in error as
6 provided in subsection (a) of this Section. Thirty days
7 following the receipt of notice by the last known owner of the
8 certificate of purchase, or within a reasonable time
9 thereafter, the county collector shall make a written
10 declaration, based upon clear and convincing evidence, that the
11 taxes were sold in error and shall deliver a copy thereof to
12 the county clerk within 30 days after the date the declaration
13 is made for entry in the tax judgment, sale, redemption, and
14 forfeiture record pursuant to subsection (d) of this Section.
15 The county collector shall promptly notify the last known owner
16 of the certificate of purchase of the declaration by regular
17 mail and shall promptly pay the amount of the tax sale,
18 together with interest and costs as provided in Section 21-315,
19 upon surrender of the original certificate of purchase.

20 (d) If a sale is declared to be a sale in error, the county
21 clerk shall make entry in the tax judgment, sale, redemption
22 and forfeiture record, that the property was erroneously sold,
23 and the county collector shall, on demand of the owner of the
24 certificate of purchase, refund the amount paid, pay any
25 interest and costs as may be ordered under Sections 21-315
26 through 21-335, and cancel the certificate so far as it relates
27 to the property. The county collector shall deduct from the
28 accounts of the appropriate taxing bodies their pro rata
29 amounts paid.

30 (Source: P.A. 91-177, eff. 1-1-00; 91-357, eff. 7-29-99;
31 91-924, eff. 1-1-01; 92-224, eff. 1-1-02; 92-729, eff.
32 7-25-02.)

33 Section 99. Effective date. This Act takes effect upon

1 becoming law.".